GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

UNSTARRED QUESTION NO:754
ANSWERED ON:21.07.2016
Reduction in User Development Fee
Sathyabama Smt. V.

Will the Minister of CIVIL AVIATION be pleased to state:

(a) the steps taken by the Government to reduce the User Development Fee and air lines fuel charges to provide cheap air fares for air passengers in the country;

(b) the details of various types of fee collected from airlines for using various services at airports in the country;

(c) the details of total revenue generated from different airlines for using various services at airports in the country, airline-wise; and

(d) the details of the revenue generated from each of the airport in the country, airport-wise?

Answer

Minister of State in the Ministry of CIVIL AVIATION

(Shri Jayant Sinha)

(a): Ministry of Civil Aviation have formulated a National Civil Aviation Policy, 2016 with a vision to make flying affordable for the masses and to provide affordable and sustainable air travel for passenger. The objective is to enhance regional connectivity through fiscal support and infrastructure development and to enhance ease of doing business through deregulation and simplified procedures. Accordingly, future tariffs at all airports will be calculated on a "hybrid till" basis, unless otherwise specified for any project being bid out in future. It is also provided that 30% of non-aeronautical revenue will be used to cross-subsidise aeronautical charges. Further, Airports Economic Regulatory Authority (AERA) while determining tariff for aeronautical services in respect of major airports consider the User Development Fee as revenue enhancing mechanism to bridge any revenue shortfall so that airport operator is able to get a fair rate of return on his investment.

(b): Various types of fees are : Route Navigation Facility charges, Terminal Navigation Landing charges, Landing, Parking & Housing, Fuel Throughput Charges, Aerobridge charges, Cute Counter charges, cargo, Ground Handling, Passenger Service Fee(PSF) and User Development Fees.

(c) & (d): Details of total revenue generated by Airports Authority of India (AAI) from major airlines during the year 2015-16 for using various services is at Annexure 1. Airport-wise revenue generated by AAI at its airports is at Annexure 2. Details of information in respect of private airport operators is being collected.